



United States
Department of
Agriculture

Risk
Management
Agency

6501 Beacon Drive
Kansas City,
MO 64133-4676

November 22, 2004

INFORMATIONAL MEMORANDUM: R&D-04-051

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: Termination of the Group Risk Plan (GRP) Rangeland Pilot Program
and Replacement with New GRP Rangeland Pilot Program

BACKGROUND:

The GRP Rangeland Pilot Program was introduced in the 1999 crop year for 12 counties in Montana. In 2003, Risk Management Agency (RMA) contracted for an evaluation which identified a need for a number of improvements, the most important being a revised and improved payment trigger yield. After considering the evaluation, the Federal Crop Insurance Corporation's Board of Directors (Board) approved the development of a new pilot program considering the evaluation recommendations and RMA's input. The new program was approved by the Board for expert review in 2004. The new pilot program and the results of the expert review of that program were presented to the Board on October 28, 2004. The Board approved the cancellation of the current GRP Rangeland Pilot Program and approved a new GRP Rangeland Pilot Program for the 2005 and succeeding crop years.

ACTION:

The current GRP Rangeland Pilot Program is cancelled effective for the 2005 crop year. Reinsured companies must notify policyholders of the current GRP Rangeland Program Pilot, not later than 60 days prior to the March 15, 2005, cancellation date, that their policy is cancelled. Policyholders must also be apprised that a new GRP Rangeland pilot program will be offered for the 2005 crop year with a sales closing date of March 15, 2005. Program materials for the new GRP Rangeland pilot program will be provided to reinsured companies within the next 30 days.



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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DISPOSAL DATE:

This Bulletin is for the purpose of transmitting information and its disposal date is March 15, 2005.